



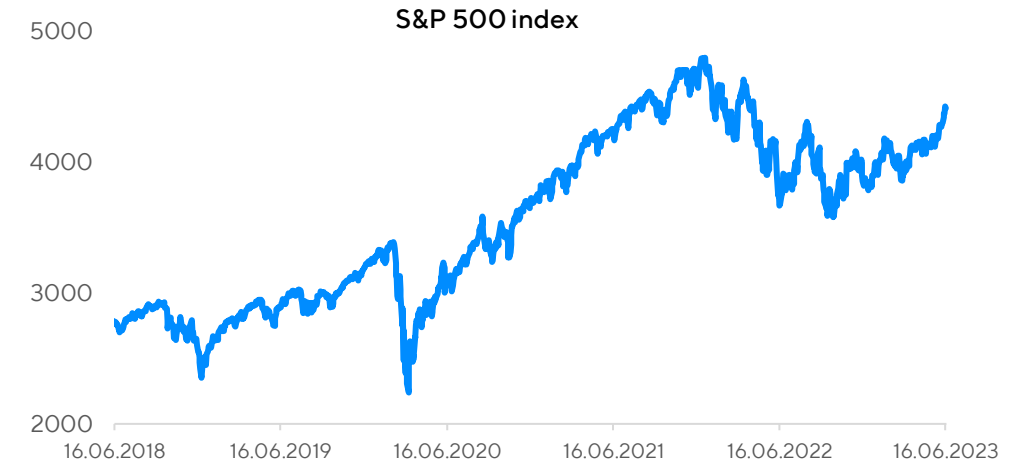
## Financial Markets Review

## AI fueled optimism in the stock market

Recent advances in artificial intelligence and frenzy around chatbot sensation ChatGPT are boosting optimism over potential returns of technology companies, which already showed decent increase in stock prices since the start of the year after the sell-off in 2022. This year alone companies included in Nasdaq Composite index added more than 4 trillion USD in market capitalization. New revenue opportunities and productivity improvements are the two main drivers equity analysts cite in their bullish calls for companies involved in rapid development of AI technology. Indeed, optimism over AI is the key factor supporting the stock market, which faces numerous economic headwinds. According to Societe General analysts, removing the group of artificial intelligence-linked stocks from S&P 500 would have cut the index's performance by about 10 percentage points since the beginning of the year.

Among the biggest beneficiaries from the AI excitement from the beginning of the year to June 16 one can highlight Nvidia (+192.13%), Microsoft (+42.74%), C3.ai (+297.59%), Oracle (+53.49%), Alphabet Inc (+40.01%).

Nvidia, whose high-end chips are used to power data centers processing the big volumes of data needed to train and apply the large models used in generative AI such as ChatGPT, became the first chipmaker to be valued at more than \$1tn.



Source: Bloomberg

*“Hype around artificial intelligence translates into real growth in stock markets”*

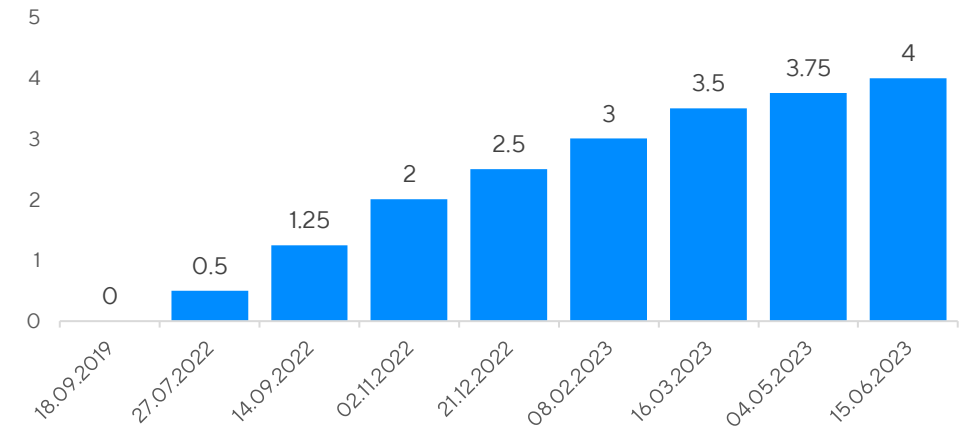
## European Central Bank hikes rates by another 25 basis points

On June 15, European Central Bank raised interest rates by another 25 basis points, increasing the deposit rate to 3.5% - the highest level in the past 22 years. This was the eighth rate hike in a row since the ECB started raising rates in July 2022. In its report, the ECB promised that interest rates would be raised to levels that ensure inflation returning to 2% and that rates would remain at those level for as long as necessary. The ECB also increased its inflation forecast for this and the coming years. The ECB forecasts that inflation will be at 5.4% this year, fall to 3% next year and reach 2.2% in 2025. The ECB has also cut its economic growth forecast for the current and the following year by 0.1 percentage point, expecting 0.9% growth this year and 1.5% next year. The next ECB meeting is scheduled for July 27.

## Fed takes a pause

On June 14, the Fed made a decision not to change the interest rate and leave it at the 5%-5.25% level. Each of the previous 10 meetings resulted in the Fed hiking rates. The Fed sees positive developments in the battle against inflation and wants to wait another six weeks to decide how to continue its monetary policy. Forecasts of the future interest rate trajectory from members of the Open Market Committee suggest that by the end of the year the interest rate will amount to 5.6%, which means that two more 25 basis point hikes are expected in the next four meetings. Long-term forecasts for the level of the interest rate have increased by 0.3 percentage points to 4.6% in 2024 and 3.4% in 2025. The long-term interest rate forecast remains at 2.5%. The Fed's next meeting is scheduled for July 25-26.

ECB Main Refinancing Rate (%)



Source: Bloomberg

*“ECB keeps hiking while Fed pauses”*

## Inflation falls, but unemployment remains low

The unemployment rate in the US unexpectedly rose by 0.3 percentage points in May, amounting to 3.7%. The number of non-farm payrolls also unexpectedly increased by 339 thousand, contrary to the expected 180 thousand. The euro area unemployment rate fell by 0.1 percentage point to 6.5% in April, the lowest unemployment rate in the euro area since the beginning of data collection in 1995. The UK's unemployment rate fell 0.1 percentage point in April to 3.8%. Japan's April unemployment rate fell 0.2 percentage points to 2.8%.

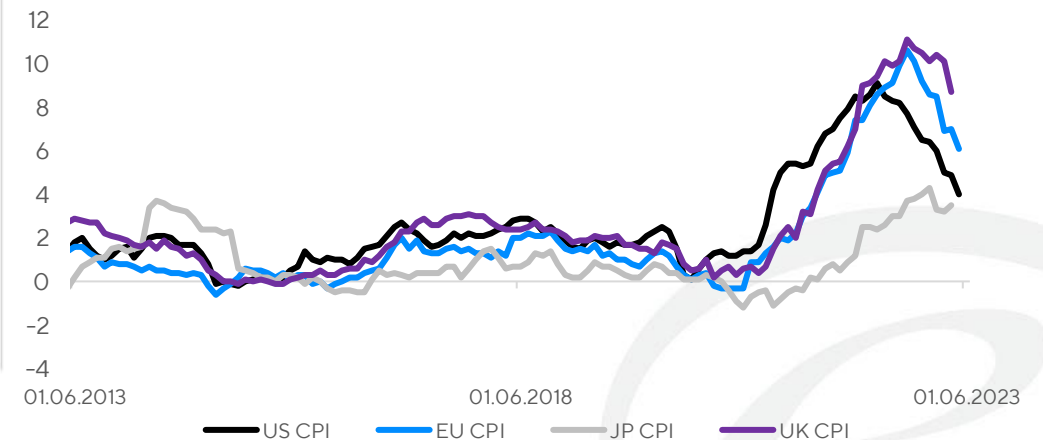
The inflation rate in the euro area fell 0.9 percentage points in May compared to the month of April, reaching 6.1% in annual terms. The core inflation rate fell 0.3 percent, standing at 5.3% in May. The US inflation rate also fell 0.9 percentage points to 4.1% in May. Core inflation rate, however, remains stubborn, falling by just 0.3 percentage points to 5.3 percent in annual terms. In the United Kingdom, inflation rate fell by 1.4 percentage points to 8.7% in April, reaching the lowest inflation rate since March 2022. In Japan, the inflation rate rose 0.3 percentage points to 3.5% in April. In China, the inflation rate in May was only 0.2% in annual terms.

### Economic Calendar

DATE	COUNTRY	REPORT	FORECAST
22 / 06 / 23	GB	BoE Interest Rate Decision	4.75%
30 / 06 / 23	EA	Inflation rate (JUN)	5.6%
07 / 07 / 23	US	Unemployment rate (JUN)	3.7%
12 / 07 / 23	US	Inflation rate (JUN)	3.6%
17 / 07 / 23	CN	GDP Q2 2023	5.8%
26 / 07 / 23	US	FED Interest Rate Decision	5.25%
27 / 07 / 23	EA	ECB Interest Rate Decision	4.25%
27 / 07 / 23	US	GDP Q2 2023	1.5%
31 / 07 / 23	EZ	GDP Q2 2023	0.4%

Source: Trading Economics

### Inflation data YoY (%)



Source: Bloomberg

# EUR Bonds List

## German Bunds

ISSUER	CURRENCY	YIELD	MATURITY	RATING	PRICE	COUPON	ISIN	MIN PIECE
Federal Republic of Germany	EUR	2.94	15.08.2023	NR	99.81	2	DE0001102325	0.01
Federal Republic of Germany	EUR	3.26	15.08.2024	NR	97.45	1	DE0001102366	0.01
Federal Republic of Germany	EUR	3.02	15.08.2025	NR	95.84	1	DE0001102382	0.01
Federal Republic of Germany	EUR	2.75	15.08.2026	NR	91.78	0	DE0001102408	0.01
Federal Republic of Germany	EUR	2.61	15.08.2027	NR	91.78	0.5	DE0001102424	0.01
Federal Republic of Germany	EUR	2.47	15.08.2029	NR	86.04	0	DE0001102473	0.01
Federal Republic of Germany	EUR	2.44	15.08.2032	NR	93.95	1.7	DE0001102606	0.01
Federal Republic of Germany	EUR	2.48	15.08.2052	NR	48.87	0	DE0001102572	0.01

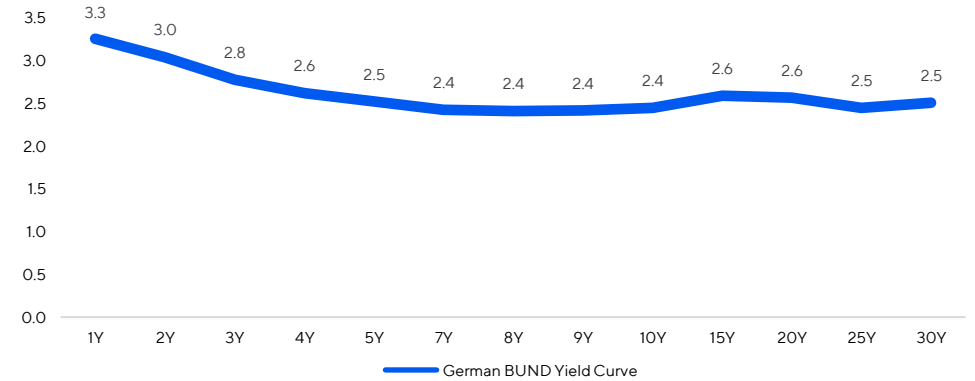
Source: Bloomberg

## Investment Grade

ISSUER	CURRENCY	YIELD	MATURITY	RATING	PRICE	COUPON	ISIN	MIN PIECE
Portuguese Republic	EUR	2.98	15.02.2024	NR	101.61	5.65	PTOTEQOE0015	0.01
Republic of Latvia	EUR	3.24	30.04.2024	A-	99.46	2.875	XS1063399536	100 000
French Republic	EUR	3.24	25.11.2024	NR	97.90	1.75	FR0011962398	1
Republic of Poland	EUR	3.41	20.01.2025	A-	102.40	5.25	XS0479333311	1000
Republic of Lithuania	EUR	3.82	06.05.2025	A	93.32	0.25	XS2168038417	1000
Portuguese Republic	EUR	2.84	15.10.2025	NR	99.98	2.875	PTOTEKOE0011	0.01
French Republic	EUR	3.06	25.11.2025	NR	95.21	1	FR0012938116	1
Romania	EUR	4.69	27.09.2026	BBB-	100.62	5	XS2538440780	1000
Republic of Latvia	EUR	3.53	07.10.2026	A-	89.98	0.375	XS1501554874	100 000
Kingdom of Spain	EUR	3.16	31.10.2026	BBB+	94.11	1.3	ES00000128H5	1000
Republic of Latvia	EUR	3.32	25.03.2027	A-	101.55	3.875	XS2549862758	100 000
Republic of Poland	EUR	3.45	22.10.2027	A-	91.35	1.375	XS1584894650	1000
French Republic	EUR	2.89	25.02.2028	NR	90.71	0.75	FR001400AIN5	1
Republic of Lithuania	EUR	3.54	25.04.2028	A	102.03	4.125	XS2547270756	1000
Republic of Latvia	EUR	3.71	24.01.2029	A-	81.03	0	XS2361416915	100 000
Republic of Lithuania	EUR	3.65	01.06.2032	A	88.08	2.125	XS2487342649	1000
Republic of Estonia	EUR	3.53	12.10.2032	NR	103.19	4	XS2532370231	1000
French Republic	EUR	2.95	25.11.2032	NR	92.28	2	FR001400BKZ3	1

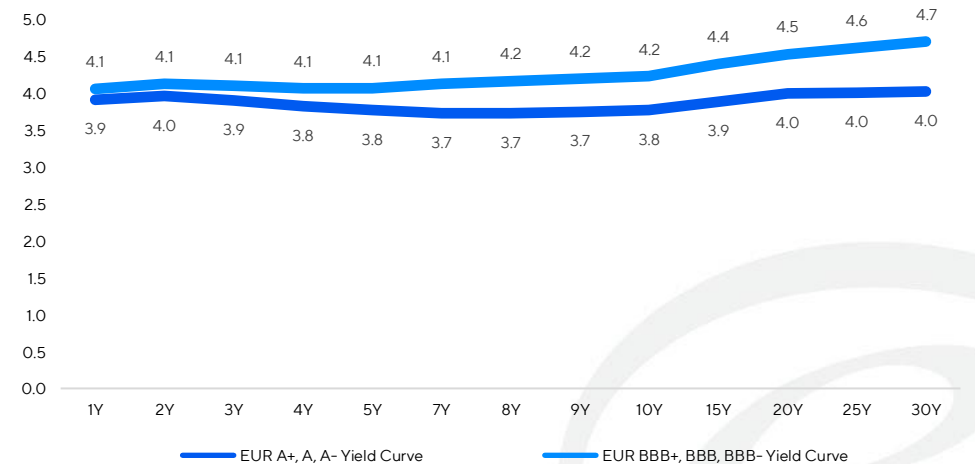
Source: Bloomberg

## German Bund Yield Curve



Source: Bloomberg

## Investment Grade Bonds Yield Curve



Source: Bloomberg

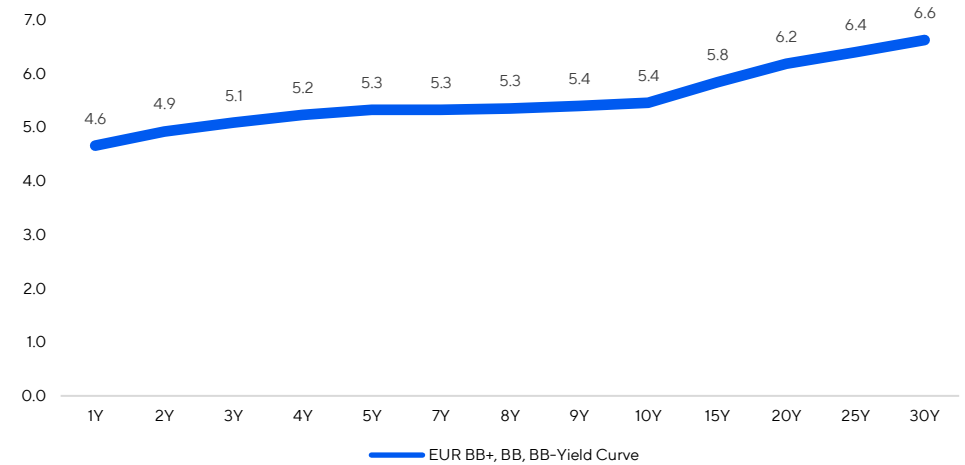
# EUR Bonds List

## High Yield

ISSUER	CURRENCY	YIELD	MATURITY	RATING	PRICE	COUPON	ISIN	MIN PIECE
Air Baltic Corp AS	EUR	16.92	30.07.2024	NR	89.62	6.75	XS1843432821	100 000
Republic of Montenegro	EUR	6.71	21.04.2025	B	93.91	3.375	XS1807201899	100 000
Nokia Oyj	EUR	3.98	15.05.2025	BB+	96.88	2.375	XS2171759256	100 000
Republic of Turkey	EUR	6.16	14.06.2025	B-	94.28	3.25	XS1629918415	100 000
Renault SA	EUR	3.31	28.11.2025	BB	94.13	1	FR0013299435	1 000
Cemex SAB de CV	EUR	4.29	19.03.2026	BB+	96.57	3.125	XS1964617879	100 000
Republic of Colombia	EUR	5.35	22.03.2026	BB+	96.02	3.875	XS1385239006	100 000
KOC Holding AS	EUR	5.91	27.05.2026	BB-	91.87	3	XS2346972263	100 000
Akropolis Group Uab	EUR	9.08	02.06.2026	BB+	83.93	2.875	XS2346869097	100 000
Republic of North Macedonia	EUR	5.92	03.06.2026	BB	93.64	3.675	XS2181690665	100 000
Republic of South Africa	EUR	5.32	24.07.2026	BB-	95.21	3.75	XS1090107159	100 000
Deutsche Lufthansa AG	EUR	4.92	16.05.2027	BB+	92.45	2.875	XS2408458730	100 000
Maxima Grupe UAB	EUR	6.37	12.07.2027	NR	98.57	6.25	XS2485155464	100 000
Republic of Montenegro	EUR	7.42	16.12.2027	B	82.59	2.875	XS2270576700	100 000
Petroleos Mexicanos	EUR	9.52	21.02.2028	BB	82.63	4.875	XS1568888777	100 000
Republic of North Macedonia	EUR	6.33	10.03.2028	BB	80.83	1.625	XS2310118893	100 000
Goodyear Tire & Rubber Co/The	EUR	5.61	15.08.2028	BB-	86.63	2.75	XS2390510142	100 000
Deutsche Lufthansa AG	EUR	5.12	14.07.2029	BB+	91.29	3.5	XS2363235107	100 000
Petroleos Mexicanos	EUR	9.81	26.02.2029	BB	78.23	4.75	XS1824424706	100 000

Source: Bloomberg

## High Yield Bonds Yield Curve



Source: Bloomberg

*“Contact your  
Broker for more  
information”*

# USD Bonds List

## US Treasuries

ISSUER	CURRENCY	YIELD	MATURITY	RATING	PRICE	COUPON	ISIN	MIN PIECE
United States of America	USD	5.26	30.11.2023	NR	97.93	0.5	US91282CDM01	100
United States of America	USD	5.12	31.10.2024	NR	99.03	4.375	US91282CFQ96	100
United States of America	USD	4.52	15.11.2025	NR	99.95	4.5	US91282CFW64	100
United States of America	USD	4.24	15.11.2026	NR	92.97	2	US912828U246	100
United States of America	USD	4.10	31.10.2027	NR	100.08	4.125	US91282CFU09	100
United States of America	USD	3.93	31.10.2029	NR	100.37	4	US91282CFT36	100
United States of America	USD	3.79	15.11.2032	NR	102.63	4.125	US91282CFV81	100
United States of America	USD	3.85	15.11.2052	NR	102.61	4	US912810TL26	100

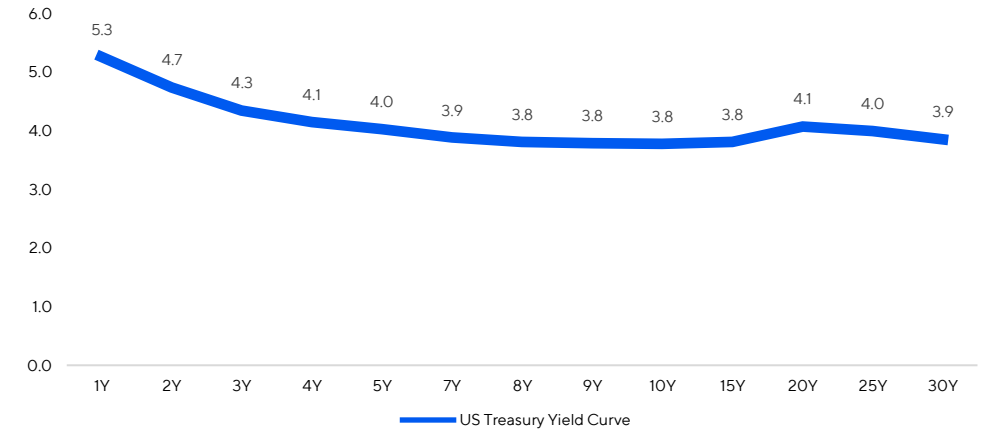
Source: Bloomberg

## Investment Grade

ISSUER	CURRENCY	YIELD	MATURITY	RATING	PRICE	COUPON	ISIN	MIN PIECE
Apple Inc	USD	4.95	11.09.2024	AA+	96.28	1.8	US037833DM97	2 000
Bharat Petroleum Corp Ltd	USD	5.79	08.05.2025	BBB-	96.80	4	XS1227064430	200 000
Toyota Motor Corp	USD	4.97	30.06.2025	A+	98.02	3.95	US89236TKC89	2 000
Republic of Peru	USD	4.86	21.07.2025	BBB	104.71	7.35	US715638AS19	100 000
Boeing Co/The	USD	5.55	04.02.2026	BBB-	91.88	2.196	US097023DG73	2 000
Republic of the Philippines	USD	4.59	30.03.2026	BBB	102.03	5.5	US718286BN61	200 000
Asian Development Bank	USD	4.36	20.01.2027	AAA	90.57	1.5	US045167FH18	1 000
Coca-Cola Co/The	USD	4.28	25.03.2027	A+	96.82	3.375	US191216CR95	2 000
Starbucks Corp	USD	4.79	15.11.2028	BBB+	96.18	4	US855244AR02	2 000
Republic of Indonesia	USD	4.63	14.02.2030	BBB	89.52	2.85	US455780CQ75	200 000
Oracle Corp	USD	5.18	25.03.2031	BBB	85.36	2.875	US68389XCE31	2 000
Merck & Co Inc	USD	4.55	10.12.2031	A+	83.21	2.15	US58933YBE41	2 000
Advanced Micro Devices Inc	USD	4.64	01.06.2032	A-	94.70	3.924	US007903BF39	2 000
United Mexican States	USD	5.60	27.09.2034	BBB-	109.02	6.75	US91086QAS75	1 000
Bradespar SA	USD	6.25	21.11.2036	BBB-	105.36	6.875	US91911TAH68	2 000
Bradespar SA	USD	5.91	11.09.2042	BBB-	96.40	5.625	US91912EAA38	2 000
Republic of Chile	USD	5.23	30.10.2042	A-	80.17	3.625	US168863BP27	150 000

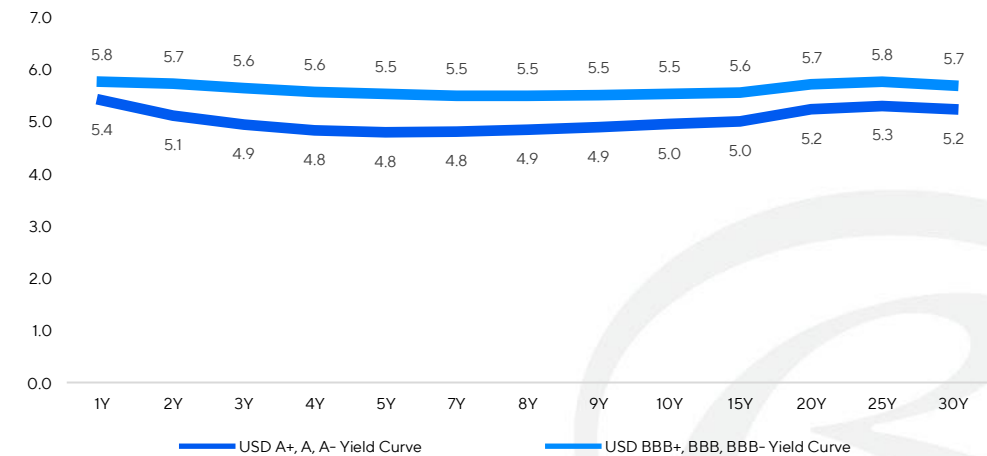
Source: Bloomberg

## US Treasury Yield Curve



Source: Bloomberg

## Investment Grade Bonds Yield Curve



Source: Bloomberg

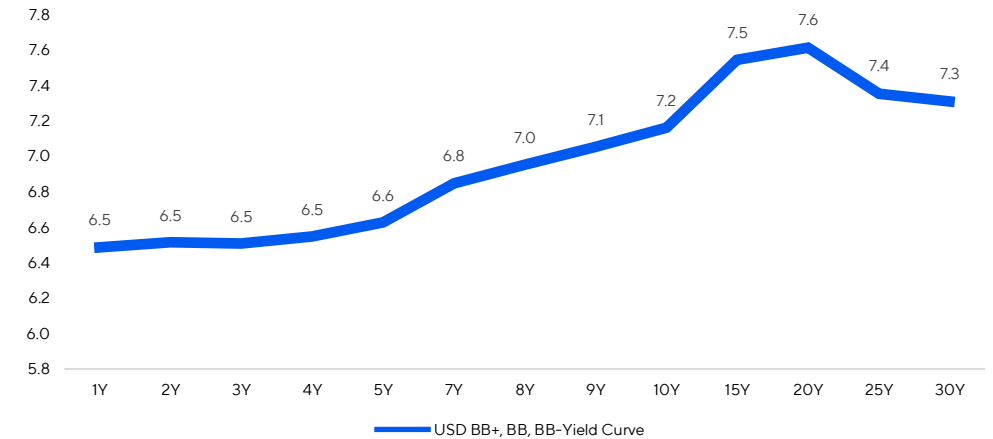
# USD Bonds List

## High Yield

ISSUER	CURRENCY	YIELD	MATURITY	RATING	PRICE	COUPON	ISIN	MIN PIECE
Stena AB	USD	6.87	01.02.2024	B+	99.99	7	USW8758PAK22	200 000
Republic of Uzbekistan	USD	5.55	20.02.2024	BB-	99.07	4.75	XS1953916290	200 000
Government of Mongolia	USD	6.03	09.03.2024	B	101.39	8.75	USY6142NAA64	200 000
Socialist Republic of Vietnam	USD	5.82	19.11.2024	BB	98.30	4.8	USY9384RAA87	200 000
Federative Republic of Brazil	USD	5.04	07.01.2025	BB-	98.66	4.25	US105756BV13	200 000
Republic of Armenia	USD	6.12	26.03.2025	B+	101.24	7.15	XS1207654853	200 000
Republic of Costa Rica	USD	5.32	30.04.2025	B+	97.98	4.375	USP3699PGE18	200 000
Istanbul Metropolitan Municipa	USD	11.09	09.12.2025	B-	89.35	6.375	XS2010029234	200 000
Volcan Cia Minera SAA	USD	18.74	11.02.2026	B	70.81	4.375	USP98047AC08	2 000
Marfrig Global Foods SA	USD	7.35	14.05.2026	BB+	98.81	7	USU63768AA01	200 000
Sibanye Stillwater Ltd	USD	7.46	16.11.2026	BB	89.63	4	USU85969AE07	200 000
Sultanate of Oman	USD	5.73	08.03.2027	BB	98.48	5.375	XS1575967218	200 000
Republic of Turkey	USD	8.32	25.03.2027	B-	92.12	6	US900123CL22	200 000
Republic of Colombia	USD	6.26	25.04.2027	BB+	91.71	3.875	US195325DL65	200 000
Anadolu Efes Biracilik Ve Malt	USD	7.71	29.06.2028	BB+	81.01	3.375	XS2355105292	200 000
Eskom Holdings SOC Ltd	USD	8.28	10.08.2028	BB-	91.81	6.35	XS1864523300	200 000
Republic of South Africa	USD	6.79	12.10.2028	BB-	88.79	4.3	US836205AU87	200 000
Anadolu Efes Biracilik Ve Malt	USD	6.75	20.01.2029	BB+	89.43	4.5	XS2434515313	200 000
Republic of Uzbekistan	USD	7.20	20.02.2029	BB-	91.19	5.375	XS1953915136	200 000
Republic of Armenia	USD	7.26	26.09.2029	B+	83.06	3.95	XS2010043904	200 000
Republic of Turkey	USD	8.62	15.01.2030	B-	115.43	11.875	US900123AL40	1 000
State Oil Co of the Azerbaijan	USD	6.22	18.03.2030	BB	103.44	6.95	XS1196496688	200 000
Marfrig Global Foods SA	USD	8.48	29.01.2031	BB+	74.89	3.95	USG5825AAC65	200 000
Republic of Turkey	USD	8.68	17.03.2036	B-	85.83	6.875	US900123AY60	2 000
Federative Republic of Brazil	USD	6.27	20.01.2037	BB-	107.38	7.125	US105756BK57	1 000
Federative Republic of Brazil	USD	6.90	27.01.2045	BB-	78.46	5	US105756BW95	200 000
Sultanate of Oman	USD	7.01	08.03.2047	BB	93.67	6.5	XS1575968026	200 000

Source: Bloomberg

## High Yield Bonds Yield Curve



Source: Bloomberg

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Report date: June 20, 2023

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